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\*ADMITTED IN NY

August 8, 2007

Vernon A. Williams, Esq. Secretary Surface Transportation Board 395 E Street, SW Washington, DC 20423

> Re: Nomination of C. Joseph Hopf, President of

PPL EnergyPlus, LLC, for RETAC

Dear Secretary Williams:

Enclosed are the original and ten copies of a letter from Mr. James H. Miller, Chairman and CEO of PPL Corporation, nominating Mr. C. Joseph Hopf, President of PPI. EnergyPlus, LLC, for one of the electric utility positions on the new Rail Energy Transportation Advisory Committee.

Mr. Hopi's extensive background and PPL's lengthy experience before the ICC and STB with castern and western coal transportation make Mr. Hopf an exceptionally well-qualified candidate

Sincerely,

James H. Miller
Chairman, President and
Chief Executive Officer
Tel 610 774 5201 Fax 610 774 6847
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August 7, 2007

Vernon A Williams, Esq. Secretary Surface Transportation Board 395 E Street, SW Washington, DC 20423

Re: STB Ex Parte No. 670,

Establishment of Rail Energy Transportation Advisory Council

Dear Secretary Williams.

This letter is being filed pursuant to the Board's July 17, 2007 Decision, which established the Rail Energy Transportation Advisory Committee ("RETAC" or "Advisory Committee") and solicited nominations. On behalf of PPL Corporation, the Board is requested to name Mr. C. Joseph Hopf, President of PPL EnergyPlus, LLC, to the Advisory Committee. Mr. Hopf's experience and interest and PPL's lengthy involvement in rail energy regulatory issues make Mr. Hopf an ideal candidate to be one of the RETAC electric utility representatives.

As the biography attached as Appendix A shows, Mr Hopf has more than 25 years experience in the electricity industry. He began his career in power plant operations for PSI Energy in Indiana. He has subsequently worked for Cinergy, Ameren and now PPL EnergyPlus

In addition to his experience in electricity generation from coal-fired, rail-served generating stations, Mr. Hopf has experience in power marketing, having developed Goldman Sachs' 24-hour energy trading operation. His current responsibilities at PPL EnergyPlus include marketing power generated at PPL generating facilities across the U.S. (Because PPL also generates electric power from nuclear and hydropower facilities, Mr. Hopf is also knowledgeable about electric generation that does not involve rail issues.) The success of PPL's marketing efforts depends on reliable and reasonably priced rail transportation of coal to U.S. generating stations owned or operated by PPL. In 2006, those generating stations burned more than 9 million tons of coal delivered by rail. PPL owns more than 1,500 coal cars.

Mr Hopf is qualified to discuss plant-specific rail rate and service issues and to discuss broader national energy market implications of rail transportation issues, including growth projections and infrastructure needs, as well as environmental and climate change concerns

Because PPL has coal-fired generating stations in Pennsylvania and Montana, the company has experience dealing with eastern (NS and CSX) and western (BNSF) railroads for its coal deliveries. PPL is a captive customer of the railroads. It is also largely deregulated in its own operations, which means that rail rate increases are not subject to a guaranteed pass-through to PPL ratepayers through a fuel clause, as is the case for many electric utilities. Utilities whose recovery of rail freight charges is not guaranteed, like PPL, should be represented on the RETAC.

PPL has sought relief from the ICC and STB when it considered rail rates unreasonably high. PPL has also participated in numerous ICC and STB rulemaking proceedings relating to rail regulation, going back more than 20 years. A partial list of rail rate cases and other proceedings in which PPL has participated is attached as Appendix B. Mr. Hopf can draw on the experience developed by PPL as a participant in these proceedings.

In many of these proceedings, PPL and the railroads have expressed different views. However, PPL is not anti-railroad. The Company recognizes the need for rail service to deliver coal to electric generating stations. PPL supported the acquisition of Conrail by NS and CSX in Docket No. 33388, and provided testimony in support of the termination of oversight conditions at the Board's May 3, 2004 hearing in that docket

As this letter shows, the Board and the public interest would be exceptionally well served by the selection of PPL EnergyPlus President C. Joseph Hopf as a RETAC member Thank you for considering this nomination.

Respectfully submitted,

eme H. Will

James H. Miller



# **C. Joseph Hopf**President-PPL EnergyPlus



Joe Hopf leads PPL's energy marketing and trading operations and directs an expanding energy marketing business. C. Joseph Hopf is president of PPL EnergyPlus, which manages PPL's wholesale and competitive retail energy sales and services operation PPL EnergyPlus markets all the electricity generated by PPL's domestic power plants, making sales in key U S regions, and sells electricity to retail customers in the eastern and western United States

Hopf joined PPL in October 2005 as senior vice president-Energy Marketing for PPL Corporation. He was named president of PPL EnergyPlus in July 2006.

Previously, Hopf served as vice president of energy trading for Goldman Sachs in New York, where he developed the company's 24-hour energy trading operation Prior to joining Goldman Sachs, he spent four years as a vice president at Ameren Energy in St. Louis, where he was responsible for an asset-backed operation similar to that of PPL's

Hopf has more than 25 years' experience in the electricity business, as well as expertise in risk management and credit issues. He began his career in power plant operations at PSI Energy in Indiana, where he advanced to supervisor of PSI's energy control center before the company merged with Cincinnati Gas and Electric to form Cinergy. He was supervisor of Cinergy's control center before becoming director of Midwest trading for the company. Hopf advanced to managing director of trading and operations for Cinergy before joining Ameren in 1999.

### APPENDIX B

## Rail Rate Cases and Other Proceedings in which PPL has Participated

### Rate Cases

Trainload Rates on Radioactive Materials, Eastern Railroads, 362 L.C.C. 756 (1980)

ICC Docket No. 31816S, <u>Pennsylvania Power & Light Cov Consolidated Rail Corp</u> This case was settled after a favorable initial decision in 1982 by an ALJ.

STB Docket No 41295, Pennsylvania Power & Light Co. v Consolidated Rail Corp., CSX Transportation, Inc. and Norfolk Southern Railway Co. This was the only one of the Bottleneck cases not dismissed in the Bottleneck Decision. It was settled.

STB Docket No 42054, <u>PPL Montana, LLC v. The Burlington Northern & Santa Fe R.</u>
<u>Co</u> This case was dismissed based on the segment cross-subsidy test.

### Other Proceedings

Ex Parte No. 290 (various sub numbers), <u>Railroad Cost Recovery Procedures</u>, <u>Quarterly Rail Cost Adjustment Factor</u>

Ex Parte No 320 (various sub numbers), Market Dominance Determinations

Ex Parte No. 347 (Sub-No., 1), Coal Rate Guidelines, Nationwide

Ex Parte No 347 (Sub-No. 2), Rate Guidelines – Non-Coal Proceedings

Ex Parte No. 575, Review of Rail Access and Competition Issues

Ex Parte No. 582, <u>Public Views on Major Rail Consolidations</u>

Ex Parte No. 582 (Sub-No 1), Major Rail Consolidation Procedures

Ex Parte No 586, Arbitration

Ex Parte No. 627, <u>Market Dominance Determinations – Product and Geographic Competition</u>

Ex Parte No. 646 (Sub-No. 1), Simplified Standards for Rail Rate Cases

Ex Parte No. 657 (Sub-No. 1), Major Issues in Rail Rate Cases

Ex Parte No. 658, The 25<sup>th</sup> Anniversary of the Staggers Rail Act: a Review and Look Ahead